



Authors

Daria Efanova
Head of Research

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Daily Base Metals Report

US stocks wavered on Monday as markets digested last week's releases – Fed policymakers' speeches, economic data and debt-ceiling negotiations. In particular, debt ceiling discussions should be the main focus of this week's sentiment: with the hopes of it being resolved in the near term, the only downside right now is seen in regional banking. The dollar continued to show signs of revival, jumping above 102.50. Corporate earnings results from big retailers are out this week and should underline healthy consumption out of the region. Still, more focus should be paid to the EMs: with the rand recovering from the recent lows and TRY hinging on runoffs closer to the end of the month.

Across base metals, the robust support levels broke last week, and volatility increased. As of Monday, metals caught a bid but struggled to offset the previous losses. With central bank moves now out of the way, markets are beginning to price in a true slowdown in demand, and heavier focus should be paid to the fundamental picture. Any path lower should be quite controlled, and we do not expect a market slump. In the meantime, today's positive momentum helped to push aluminium back above \$2,250/t, settling higher at \$2,259.50/t. Copper found support at \$8,200/t once again, triggering some upside to test the \$8,350/t level; however, at the same time, markets lacked the incentive to push higher, and the metals remained broadly unchanged at \$8,272.50/t. Lead settled at \$2,072.50/t. Nickel and zinc continued to push lower, with the former testing the support of \$22,000/t once again.

Oil futures jumped higher, driven in large by macroeconomic fundamentals, with WTI and Brent trading at \$71/bl and \$75/bl. Gold and silver edged higher to \$2,016/oz and \$24.05/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2243	2280	2222	2259.5	2244	18274	628242	-0.50	102.56
Copper	8246	8347	8189	8272.5	8243	13784	255545	-42.76	375.60
Lead	2074	2098	2067	2072.5	2074	4581	115328	-15.00	94.17
Nickel	22290	22390	21565	21622	22210	2832	138532	-107.00	980.45
Tin	24750	25340	24570	24994	24895	264	15039	320.00	1139.44
Zinc	2558	2583	2529	2532	2555	5653	185507	-14.50	114.99
				Total:		45388	1338193		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2260.5	2268	2406.75	2548	2221.5	2231.5	2286.055556	2294.222222	
Copper	8287	8334	8309.01	8423.65	8222.75	8253	8436.888889	8465.555556	
Lead	2065	2077	2108.75	2133.75	2067.75	2076	2118.388889	2123.388889	
Nickel	22200	22200	23398	24368	22110	22217	23548.333333	23588.333333	
Tin	25700	25200			25104	24836	26262.222222	25963.888889	
Zinc	2558	2574	2546.25	2521.25	2532.98	2549	2598.777778	2610	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	570300	200	2300	-2100	568200	195175	373025	Comex, USc/lb		
Copper	76625	250	0	250	76875	225	76650	MAY 23	371.65 0.51	
Lead	32900	0	0	0	32900	2825	30075	JUL 23	372.85 0.50	
Nickel	39294	0	0	0	39294	2400	36894	Shanghai, CNY/mt		
Tin	1610	50	80	-30	1580	30	1550	23-May	64810 0.37	
Zinc	49050	0	0	0	49050	5450	43600	23-Jun	64830 0.70	

Global Markets		Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15917	0.02	GBP	1.2525	0.5378	Gold	2017.76	0.3476	2006.65 2019.90
DJI	33280	-0.06	JPY	136.0700	-0.2719	Silver	24.08	0.4777	
S&P500	4125	0.02	EUR	1.0874	0.2304	Gold Comex	2022.7	0.144	
SSE	3311	1.17	CNY	6.9525	0.0949	Platinum	1070.54	1.6619	
Hg Seng	19971	1.75	AUD	0.6698	0.7824	Palladium	1546.23	2.2118	
Brent	76	1.81	CAD	1.3484	0.4895				

Source: Bloomberg
Updated: 15/05/2023 17:30

All price data is from 15.05.2023 as of 17:30

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